

**§ 1601. Civilian intelligence personnel: general authority to establish excepted positions, appoint personnel, and fix rates of pay**

"(a) GENERAL AUTHORITY.—The Secretary of Defense may—

"(1) establish, as positions in the excepted service, such defense intelligence positions in the intelligence components of the Department of Defense and the military departments as the Secretary determines necessary to carry out the intelligence functions of those components and departments, including—

"(A) Intelligence Senior Level positions designated under section 1607 of this title; and

"(B) positions in the Defense Intelligence Senior Executive Service;

"(2) appoint individuals to those positions (after taking into consideration the availability of preference eligibles for appointment to those positions); and

"(3) fix the compensation of such individuals for service in those positions.

"(b) CONSTRUCTION WITH OTHER LAWS.—The authority of the Secretary of Defense under subsection (a) applies without regard to the provisions of any other law relating to the appointment, number, classification, or compensation of employees.

**§ 1602. Basic pay**

"(a) AUTHORITY TO FIX RATES OF BASIC PAY.—The Secretary of Defense (subject to the provisions of this section) shall fix the rates of basic pay for positions established under section 1601 of this title in relation to the rates of basic pay provided in subpart D of part III of title 5 for positions subject to that subpart which have corresponding levels of duties and responsibilities.

"(b) MAXIMUM RATES.—A rate of basic pay fixed under subsection (a) for a position established under section 1601 of this title may not (except as otherwise provided by law) exceed—

"(1) in the case of a Defense Intelligence Senior Executive Service position, the maximum rate provided in section 5382 of title 5;

"(2) in the case of an Intelligence Senior Level position, the maximum rate provided in section 5382 of title 5; and

"(3) in the case of any other position, the maximum rate provided in section 5306(e) of title 5.

"(c) PREVAILING RATE SYSTEMS.—The Secretary of Defense may, consistent with section 5341 of title 5, adopt

such provisions  
of that title as provide for prevailing rate systems  
of basic pay  
and may apply those provisions to positions for  
civilian employees  
in or under which the Department of Defense may  
employ individuals  
described by section 5342(a)(2)(A) of that title.

**§ 1603. Additional compensation, incentives,  
and allowances**

"(a) ADDITIONAL COMPENSATION BASED ON TITLE 5  
AUTHORI-  
TIES.—The Secretary of Defense may provide  
employees in defense  
intelligence positions compensation (in addition to  
basic pay),  
including benefits, incentives, and allowances,  
consistent with and  
not in excess of the level authorized for, comparable  
positions  
authorized by title 5.

"(b) ALLOWANCES BASED ON LIVING COSTS AND  
ENVIRONMENT.—

(1) In addition to basic pay, employees in defense  
intelligence posi-